

DRAFT
ENVIRONMENTAL IMPACT STATEMENT
FOR THE PCS PHOSPHATE MINE CONTINUATION
AURORA, NORTH CAROLINA

The responsible lead agency is the US Army corps of Engineers, Wilmington District.

Abstract: The Potash Corporation of Saskatchewan Phosphate Division, Aurora Operation (PCS) has applied for Department of the Army authorization pursuant to Section 404 of the Clean Water Act and Section 10 of the rivers and Harbors Act to advance its current mining operation into a 3,608 acre area east of its current mining operation located north of Aurora, Beaufort County, North Carolina. The proposed expansion would impact approximately 2,408 acres of waters of the United States including wetlands adjacent to The Pamlico River and South Creek.

Pursuant to the National Environmental Policy Act, the Corps of Engineers has prepared this draft Environmental Impact Statement to examine the impacts of the proposed action and alternatives to the proposed action.

Written comments pertinent to the proposed work, as outlined above, and the DEIS will be received by the Corps of Engineers, Wilmington District, until 5pm, January 27, 2007. Comments should be submitted to U.S. Army Corps of Engineers, Wilmington District, Regulatory Division. ATTN: File Number 2001-10096, Post Office Box 1890, Wilmington, NC 28402-1890. Questions about the proposed action and DEIS can be directed to Mr. Tom Walker, Project Manager, Regulatory Division, telephone: (828) 271-7980 extension 222.

A Public Hearing on this project and the DEIS will be held at Southside High School located at 5700 Highway 33 East, Chocowinity, Beaufort County, NC on December 14, 2006 at 6:30 P.M.

SUMMARY

On November 2, 2000 The Potash Corporation of Saskatchewan Phosphate Division, Aurora Operation (PCS) applied for Department of the Army authorization to continue its phosphate mining operation on the Hickory Point peninsula adjacent the Pamlico River and South Creek, north of Aurora, Beaufort County, North Carolina, once reserves are depleted under the existing permitted area. The Corps circulated a Public Notice describing this application on January 2, 2001 (Action ID No. 200110096). PCS elected to further reduce proposed impacts to waters of the US in response to comments on this Public Notice and submitted a revised permit application on August 13, 2001. The Corps circulated a second Public Notice on October 4, 2001, describing the revised application.

The PCS facility includes an open pit mining operation that supplies phosphate ore to its onsite manufacturing facilities producing sulfuric acid, phosphoric acid, purified acid, liquid fertilizer, superphosphoric acid, diammonium phosphate, defluorinated phosphate, animal feed and solid fertilizers. Phosphate mining activities began at this site in 1965. On August 27, 1997, PCS was issued a Department of the Army permit to impact 1,268 acres of waters and wetlands to continue its mining operation into the current mine area. This action is more fully described in the August, 1996 Final Environmental Impact Statement for the Texasgulf Inc. Mine Continuation. PCS is nearing the end of the current mining area and is seeking to continue its mining operation into the adjacent tract.

The proposed action includes a request for authorization to impact approximately 2,408 acres of waters of the US including wetlands to continue the mine advance into a 3,608 acre area located adjacent the Pamlico River and several of its tributaries. The applicant's stated purpose and need for this project is to continue mining its phosphate reserve in an economically viable fashion. More specifically, the applicant's stated purpose and need is to implement a long-term systematic and cost-effective mine advance within the project area for the ongoing PCS mine operation at Aurora, NC. The waters and wetlands impacted by the proposed action have been categorized into community types as follows:

1. Creeks/Open Water	11 acres
2. Brackish Marsh Complex	38 acres
3. Bottomland Hardwood Forest	102 acres
4. Herbaceous Assemblage	253 acres
5. Scrub-Shrub Assemblage	202 acres
6. Pine Plantation	514 acres
7. Hardwood Forest	508 acres
8. Mixed Pine-Hardwood Forest	564 acres
9. Pine Forest	195 acres
10. Ponds	19 acres
Total	2,408 acres

Pursuant to the National Environmental Policy Act (NEPA) federal agencies are required to prepare an Environmental Impact Statement (EIS) for any agency action, including the issuance of a permit, if that action may significantly affect the quality of the human environment. The Corps of Engineers has prepared this draft Environmental Impact Statement to examine the environmental and socioeconomic impacts of the proposed action and explore reasonable alternatives. A public scoping meeting was held on February 28, 2001 and an interdisciplinary Review Team (Review Team) comprised of representatives from other state and federal regulatory and commenting agencies, environmental advocacy groups, the applicant, and CZR Incorporated (CZR) (third party consultant to the Corps in accordance with RGL-05-08). The purpose of the Review Team is to identify major issues to be addressed in the EIS and to provide input on potential alternatives to be explored and potentially evaluated.

The Corps, working with the applicant and the review team established a project area comprised of three basic tracts; a 3,608 acre area east of the current operation and adjacent South Creek identified as the NCPC tract, a 8,686 acre area south of the current operation and south of NC Highway 33 identified as the S33 tract and an 2,806 acre area west of the current operation and adjacent Durham Creek identified as the Bonnerton tract. The S33 tract contains fewer wetlands than either of the other tracts (S33 = 1,130 acres, NCPC = 2,408 acres, and Bonnerton = 2,130 acres).

Within this project area, a No Action mining alignment and 9 alternative mining alignments have been identified for further study. A detailed description of each alternative can be found in Section 2 of the DEIS and maps of each alternative can be found in Section 5 of the DEIS (figures 5-43 through 5-52). The No Action mining alignment is not an alignment that involves no mining but rather an alignment that avoids all Waters of the US and therefore requires no Department of the Army authorization. Seven of the alternatives (DL1B, EAPA, EAPB, SCRA, SCRB, SJAA, SJAB) involve some mining activity in each of the three tracts. All mining in the AP alternative is contained within the NCPC tract and the No Action and S33AP alternatives limit mining to only the S33 tract.

The Applicant contends that the AP and EAPA alternatives are the only economically practicable alternatives. The Corps has reviewed all information submitted by the applicant as well as other available information regarding the economics of phosphate and phosphate mining. At this time, the Corps concurs with the applicant that the AP and EAPA alternatives are economically practicable and that the No Action, S33AP and DL1B alternatives are not economically practicable. The Corps has not concurred with the applicant's determination on the other alternatives.

The draft Environmental Impact Statement (DEIS) was released Friday, October 20, 2006. The DEIS and the public notice may be viewed on the Wilmington District's website at <http://www.saw.usace.army.mil/WETLANDS/index.html>. The Corps is

seeking public input on the completeness of the document as well as the environmental and socioeconomic impacts of PCS' proposed mine alignment and the various alternatives. A public hearing on this project will be held December 14, 2006 and comments will be accepted until January 21, 2007.